Collection of Cess levied on petroleum products

†* 510. SHRI KAPIL SIBAL :

SHRI RAJ MOHINDER SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that besides taxes, cess is also collected from petroleum and other related products in the country ;

(b) if so, what are the details of products along with the rates of cess thereon; and

(c) the estimate of average annual collection made through cess, product-wise; and

(d) the details of decision with regard to spending the said amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR) : (a) Yes Sir.

(b) Cess is collected at the rate of Rs 900 per metric tonne on indigenous crude oil. However, crude oil produced in the exploration blocks offered under the New Exploration and Licensing Policy (NELP) through competitive international bidding is exempt from this cess.

(c) The average annual amount of net collection of cess from crude oil during the period 1974-75 to 1998-99 is Rs. 1337.56 crores.

(d) Cess receipts have been used for the purpose for which these were collected, *i.e.* the development of "oil industry" as defined under Oil Industry Development Act, 1974 (inclusive of chemicals, petrochemicals and fertilizers besides production and refining of crude oil).

Diversion of deposits from banks to mutual funds

*511. SHRI RAJNATH SINGH 'SURYA' : Will the Minister of FINANCE be pleased to state :

(a) whether the common people are forced to divert their deposits from bank to mutual funds due to reduced interest rates ;

(b) if so, whether most of these MFs are in private sector;

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†Original notice of the Question was received in Hindi.